

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0113-04
Bill No.: HCS for SCS for SB 89
Subject: Elderly; Nursing and Boarding Homes
Type: Original
Date: March 27, 2013

Bill Summary: This proposal allows nursing home districts to establish and maintain senior housing in any third or fourth classification county and allows certain city hospitals to become nonprofit corporations.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§ 96.229 Local Hospitals:

Officials from the **Department of Social Services - MO HealthNet Division (MHD)** state this section allows for the conversion of a local city hospital organized and operated under Chapter 96 to a nonprofit organization governed by Missouri's nonprofit corporation law under Chapter 355. For Medicaid reimbursement there would not be a fiscal impact. The Medicare allowable costs, which are the basis of the Medicaid rate, would not change as a result of this legislation.

Officials from the **Department of Social Services - Family Support Division (FSD)** state this section relates to hospitals becoming public benefit corporations as defined in Chapter 355 RSMo. There is no fiscal impact to FSD.

§§ 198.310 and 198.345 - Nursing Home Districts:

Officials from the **Department of Social Services - MO HealthNet Division (MHD)** state section 198.310 provides for "the constitutionally required percentage" of the votes cast for a nursing home district local bond issue to pass rather than needing "two-thirds" of the votes cast. Changing the percentage of votes required for the passage of a nursing home district local bond issue would not have a fiscal impact on MHD.

MHD states section 198.345 concerns establishing and maintaining apartments for seniors and removes the words "and emergency call buttons to the apartment residents". In addition, the section adds fourth class counties to those counties which a nursing home district can establish apartments for seniors. Senior housing units of this type are typically considered single-family dwellings and are not licensed as residential care facilities, assisted living facilities, intermediate care facilities, or skilled nursing facilities. Therefore, there is no fiscal impact on MHD.

Officials from the **Department of Social Services - Family Support Division (FSD)** assume senior housing units of this type are typically considered single - family dwellings and are not licensed as residential care facilities, assisted living facilities, intermediate care facilities, nor skilled nursing facilities. Therefore, there is no impact to the Family Support Division.

Bill as a Whole:

Officials from the **Office of the Attorney General, Department of Health and Senior Services** and **Department of Mental Health** each assume the proposal would not fiscally impact their respective agencies.

In response to similar legislation from 2013 (HB 777), officials from the **Department of Revenue, City of Columbia, City of Kansas City** and **St. Louis County** each assumed the proposal would not fiscally impact their respective agencies.

Officials from numerous 3rd and 4th class counties did not respond to Oversight's request for fiscal impact.

Oversight assumes this proposal would result in no direct fiscal impact on state or local government funds.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

This proposal contains an emergency clause.

SOURCES OF INFORMATION

Department of Health and Senior Services
Department of Social Services
Department of Mental Health
Department of Revenue
Office of the Attorney General
City of Kansas City
City of Columbia
St. Louis County

Not Responding:

Numerous 3rd and 4th Class Counties



Ross Strope
Acting Director
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